

26 February 2003

Mr Andrew Reeves
Commissioner, Government Prices Oversight Commission
GPO Box 770
HOBART 7001

Dear Mr Reeves,

METRO FARES INVESTIGATION 2003

I refer to your letter of 30 January 2003 concerning the Metro Fares Investigation 2003 and, in particular, to your invitation to comment on the effectiveness of Metro's service delivery and student concessions.

1. Demographic Profile

It is estimated that more than 50,000 students are enrolled in schools and colleges located in Tasmania's major urban areas, the majority of which are serviced by Metro or Metro-type transport services. The following number of students were enrolled in August 2002:

ABS Statistical Subdivision	Kinder- garten	Primary	Secondary	Senior Secondary	Total
Greater Hobart (incl. Kingston)	1,827	13,134	6,520	4,716	26,197
Greater Launceston (incl. East and West Tamar)	1,000	7,561	3,427	2,417	14,405
Burnie / Devonport (incl. Coastal Strip)	825	6,098	3,079	1,585	11,587
Total	3,652	26,793	13,026	8,718	52,189

2. Home Areas

'Home areas' were established in 1995 in order to comply with a DoE's interpretation of the *Education Act* 1994 that guarantees enrolment for students at the nearest school.

In accordance with the provision of Section 19(1) the *Education Act* 1994 that *entitles a student to be enrolled at the State school which has its intake of students from the area in*

which his or her home is situated, DoE supports the provision of adequate transport services to the nearest appropriate government school, giving due consideration to Metro's financial and policy constraints.

The size of home areas of primary schools in urban areas are such that schools are within close proximity for the majority of primary grade pupils. The 'home areas' of high schools, which are not specifically defined but generally consist of the sum of home areas of assigned 'feeder' primary schools, are such that a reasonable number of high school students require public transport. Senior secondary colleges do not have home areas as the choice of college is often determined by the available syllabus.

An estimated 25 to 30% of students are living outside their designated home areas, a significant number of whom travel relatively long distances on public or other transport services. Examples include students travelling from Taroona to Ogilvie High School, or from Old Beach to schools on Hobart's western shore.

3. Effectiveness of Metro's Service Delivery

3.1 General Access

Of all identified groups of Metro travellers, DoE is mainly concerned with government students travelling to and from school. Many of these students do not have realistic access to other means of transport, and are therefore dependent on safe, efficient and reliable bus services to the school in which they are enrolled.

3.2 Changes to School Hours

Section 25(1)(f) of the *Education Act* requires the Minister to determine school hours. School hours have, in the past, been taken as standard throughout the State and rarely created reasons for debate. However, in recent times, curriculum and school management related issues have increasingly required a more flexible approach and changes to traditional school hours in certain schools and colleges, which have occasionally created tension due to conflicting educational needs and Metro operations.

Under current DoE guidelines schools and colleges are permitted to alter school hours following general consensus being reached by their school communities, and subject to approval by the Minister for Education. As part of established DoE procedures, schools must consult with transport providers, including Metro and DIER, on changing transport needs and take into consideration the costs of altered transport services.

3.3 Proposal to Incorporate Kingston / Blackmans Bay into the Hobart Service Area

The proposal to ultimately introduce Metro services into the Kingston / Blackmans Bay area has been noted.

There are a number of contract and route bus services operating from that area to schools and colleges in Hobart. It is presumed that a consultation process involving major stakeholders will precede the implementation of such services.

3.4 Other Issues

Central Office of DoE is unaware of specific issues concerning the delivery, standard, routing or timing of Metro services that may be raised from time to time by students or their parents. It is presumed that issues of this kind are usually resolved between Metro and its clients.

4. Student Concession Fares

4.1 *General Issues*

The inconsistencies in the fares payable by students depending on whether they live in urban or non-urban areas, and on whether they travel on Metro or route services are noted. It is considered that this issue would best be addressed by the Department of Infrastructure, Energy and Resources.

4.2 *Student Contributions and Equity*

Students travelling on Metro services pay a fare of 96 cents for a ten-ride ticket or \$1.20 for a single fare. This is significantly more than the 70 cents payable on a route service operating wholly within an urban area, or 30 cents on a route service commencing in a rural, and finishing in a rural or urban area.

These issues, particularly if Metro fares were to increase without a corresponding adjustment to other concession fares payable by students, may create further equity issues for DIER to address.

4.3 *Future Directions*

DoE is aware of Metro's long term plan to introduce a smart-card based system that may lend itself to greater efficiency of operation.

It is considered important for DoE to be involved in future changing processes with a view to a potential link to future school management issues.

5. Integration of Other Public Transport Systems

A relatively small number of students from rural areas travel to schools in Metro areas using a combination of free contract and Metro services. Examples include students travelling from New Norfolk to Hobart by free contract service, from where they travel to Rosny College on Metro services.

Student's expectations would be the provision of interconnecting services with minimum waiting times between individual legs of their journey.

I trust this information will be of assistance to you. Please contact Armin Howald, A/Senior Consultant (Resource Planning Services) on 6233 7290 if you have any queries.

Yours sincerely,

Simon Barnsley
DEPUTY SECRETARY (CORPORATE SERVICES)

cc Tim Gourlay
Andrew Finch
Armin Howald